



Board of Administration
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To: The Honorable Wesley Chesbro, Chair
Senate Budget and Fiscal Review Committee
Joint Committee on Legislative Budget
State Capitol, Room 5035
Sacramento, CA 95814

The Honorable Michael Machado, Chair
Senate Budget and Fiscal Review Subcommittee #4
State Capitol, Room 2080
Sacramento, CA 95814

The Honorable John Laird, Chair
Assembly Budget Committee
State Capitol, Room 6026
Sacramento, CA 95814

The Honorable Rudy Bermudez, Chair
Assembly Budget Subcommittee #4
State Capitol, Room 5135
Sacramento, CA 95814

Subject: Budget Act Control Language - California Public Employees' Retirement
System Annual Plan for the Second Quarter of Fiscal Year 2005-06

In accordance with control language included in the Budget Act of 2005, Item 1900-015-0830 (2), the California Public Employees' Retirement System (CalPERS) respectfully submits its FY 2005-06 Annual Plan (Second Quarter Update) as approved by the CalPERS' Board of Administration at the February 16, 2006 meeting.

The following enclosed attachments include a report that reflects the status of the current year business objectives on the CalPERS Three-Year Business Plan.

- Attachment I:**
- FY 2005-2006 Annual Plan – Second Quarter Update
 - CalPERS Three-Year Business Plan (2005-06 through 2007-08)

If you or your staff have any questions or concerns with this report, please contact Gloria Moore Andrews, Deputy Executive Officer, Operations at (916) 795-12551, or gloriamore_andrews@calpers.ca.gov.

Sincerely,

FRED BUENROSTRO
Chief Executive Officer

Enclosures

cc: Brian Annis, Consultant
Senate Budget and Fiscal Review Committee
Senate Budget and Fiscal Review Subcommittee #4

Adam Dondro, Consultant
Assembly Budget Committee
Assembly Budget Subcommittee #4

Rosario Marin, Secretary
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Attn: Indexing Division